

HOUSE BILL 3364

By McDaniel

AN ACT to amend Tennessee Code Annotated, Title 9; Title 13; Title 29; Title 40; Title 54; Title 55; Title 57; Title 59; Title 67 and Title 68, relative to funding state and local government.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-23-402(a), is amended by deleting subdivisions (2) and (3) in their entirety.

SECTION 2. Tennessee Code Annotated, Section 29-13-116, is amended by adding the following new subsections:

(c) All expenses to administer the "Criminal Injuries Compensation Act of 1976" shall be paid from the criminal injuries compensation fund.

(d) Notwithstanding any provision of law to the contrary, the state treasurer is authorized to award a grant from the criminal injuries compensation fund to the district attorneys general conference for domestic violence and drug enforcement program operations in an amount not to exceed that specified in the general appropriations act each fiscal year.

SECTION 3. Tennessee Code Annotated, Section 40-25-129, is amended by adding the following as a new item:

(4) Notwithstanding the provisions of item (2) of this section regarding indigent defendants, the state shall neither pay nor be liable for any costs or fees in any criminal prosecution against any indigent defendant imposed on or after July 1, 2000.

SECTION 4. Tennessee Code Annotated, Section 40-25-130, is amended by adding the following as a new item:

(6) Notwithstanding the provisions of item (5) of this section regarding indigent defendants, the state shall neither pay nor be liable for any costs or fees in any criminal prosecution against any indigent defendant imposed on or after July 1, 2000.

SECTION 5. Tennessee Code Annotated, Section 59-1-116, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection (b):

(b) Notwithstanding the provisions of subsection (a), the commissioner of labor and workforce development shall increase the amount of the license fees charged under this section to the extent necessary to offset the reduction of the department's appropriation for mine licensing operations under the provisions of the general appropriations act for fiscal year 2000-2001.

SECTION 6. Tennessee Code Annotated, Section 67-2-119, is amended by adding the following new subsection:

(e) Notwithstanding the provisions of subsections (a) - (d) or any other provision of law to the contrary, the amount paid to each city and county pursuant to this section shall not exceed the amount paid to each such city and county for the fiscal year ending June 30, 1999. Any funds remaining after such payment to cities and counties shall be deposited in the state general fund.

SECTION 7. Tennessee Code Annotated, Section 67-3-2001, is amended by adding the following new subsection:

(k) Notwithstanding the provisions of Section 54-2-103 or any other law to the contrary, a percentage of funds collected and allocated to the state highway fund shall be deposited in the general fund as follows:

(1) If the statute allocating funds to the state highway fund earmarks two percent (2%) or more of the revenue collected for the general fund, no additional allocation to the general fund shall be made; and

(2) If the statute allocating funds to the state highway fund earmarks less than two percent (2%) of the revenue collected for the general fund, an amount equal to the amount necessary when added to the statutory earmark, if any, equals two percent (2%) of the revenue collected shall be earmarked for the general fund.

(3) The allocation of funds as provided in this subsection shall not have an impact on any scheduled or ongoing construction projects.

SECTION 8. Tennessee Code Annotated, Section 67-4-402(b), is amended by deleting the language "pay to the state for state purposes an amount equal to one and nine-tenths percent (1.9%) of the person's gross receipts derived from such business" and by substituting instead the following:

pay to the state for state purposes an amount equal to two percent (2%) of the person's gross receipts derived from such business

SECTION 9. Tennessee Code Annotated, Section 67-4-402(b), is amended by deleting the first sentence of subdivision (1) and by substituting instead the following:

Notwithstanding any provision of this section or law to the contrary, twenty percent (20%) of the revenue generated by the tax imposed by this subsection shall be allocated to the highway fund for the purpose of funding programs for the

prevention and collection of litter and trash and matters related thereto. The remaining eighty percent (80%) of the revenue generated by the tax imposed by this subsection shall be allocated to the general fund.

SECTION 10. Tennessee Code Annotated, Section 67-4-409(l), is amended by adding the following new subdivision:

(5) Notwithstanding the provisions of this subsection or any other law to the contrary, for a one (1) year period beginning July 1, 2000, expenditures from the agricultural resources conservation fund may be made in such amounts as are necessary for the purpose of acquiring new equipment for the department. The commissioner of agriculture shall determine the amounts necessary for the purchase of such equipment. The authorization to acquire equipment pursuant to this subdivision shall expire June 30, 2001.

SECTION 11. Tennessee Code Annotated, Section 67-4-606, is amended by deleting subdivision (3) in its entirety and by substituting instead:

(3) Forty-three and seventy-one hundredths percent (43.71%) of the proceeds shall be allocated to the general fund.

SECTION 12. Tennessee Code Annotated, Section 67-6-103(a), is amended by deleting subdivision (3)(B).

SECTION 13. Tennessee Code Annotated, Section 67-6-206(b), is amended by deleting from subdivision (1) the language "Tax at the rate of one and one-half percent (1.5%) shall be imposed with respect to gas, electricity, fuel oil, coal and other energy fuels when sold to or used by manufacturers." and by substituting instead the following:

Tax at the rate of two percent (2%) shall be imposed with respect to gas, electricity, fuel oil, coal and other energy fuels when sold to or used by manufacturers. Notwithstanding any provision of this section or any other law to the contrary, any revenue generated from the increase in the tax rate from one

and one-half percent (1.5%) to two percent (2%) shall be deposited in the general fund and no portion of such revenue shall be allocated to any county or municipality. Such revenue shall not be included in any computation pertaining to any such allocation to any county or municipality.

SECTION 14. Tennessee Code Annotated, Section 67-6-218, is amended by deleting that section in its entirety and by substituting instead the following:

67-6-218 (a) Notwithstanding any provision of this chapter to the contrary, tax at the rate of two percent (2%) shall be imposed with respect to electricity and liquefied gas, including, but not limited to, propane and butane, when sold to or used by farmers and nurserymen directly in the production of food or fiber for human or animal consumption or to aid in the growing of a horticultural product for sale.

(b) Notwithstanding any provision of this chapter to the contrary, tax at the rate of two percent (2%) shall be imposed with respect to the sale of coal, wood, wood products or wood by-products, or fuel oil, which is used as energy fuel in the production of nursery and greenhouse crops.

(c) Notwithstanding any provision of this section or any other law to the contrary, any revenue generated from the increase in the tax rate from one and one-half percent (1.5%) to two percent (2%) shall be deposited in the general fund and no portion of such revenue shall be allocated to any county or municipality. Such revenue shall not be included in any computation pertaining to any such allocation to any county or municipality.

SECTION 15. Tennessee Code Annotated, Section 67-6-334, is amended by deleting the section in its entirety.

SECTION 16. Tennessee Code Annotated, Title 67, Chapter 6, Part 2, is amended by adding the following new section:

Section ____.

(a) Gas, electricity, fuel oil, coal and other energy fuels sold directly to the consumer for residential use shall be taxed at the rate of two percent (2%). Such tax is for state purposes only, and no county or municipality shall have power to levy such tax. Notwithstanding the provisions of Section 67-6-103 or any other law to the contrary, all revenue collected from such tax shall be deposited in the general fund and no portion of such tax shall be allocated to any county or municipality pursuant to Section 67-6-103 or any other law. Such tax shall not be included in any computation pertaining to such allocation under Section 67-6-103 or any other law.

(b) (1) As used in this section, "sold directly to the consumer for residential use" includes the furnishing of gas, electricity, fuel oil, coal or other energy fuels to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered or measured, regardless of the fact that a person other than the resident:

(A) Is contractually bound to the supplier for the charges;

(B) Actually pays the charges; or

(C) Is billed for the charges.

(2) Use of electricity and other energy fuels in hotel or motel units by transient occupants does not constitute residential use.

SECTION 17. Tennessee Code Annotated, Section 67-6-509, is amended by deleting that section in its entirety.

SECTION 18. Tennessee Code Annotated, Section 67-4-1004(a), is amended by deleting the language "six and one-half (6 ½) mills", and by substituting instead the language "six and three-quarter (6¾) mills".

SECTION 19. Tennessee Code Annotated, Section 57-3-302(a), is amended by deleting the language "one dollar and ten cents (\$1.10)", and by substituting instead the language "one dollar and sixteen cents (\$1.16)".

SECTION 20. Tennessee Code Annotated, Section 57-3-302(b), is amended by deleting the language "four dollars (\$4.00)", and by substituting instead the language "four dollars and twenty cents (\$4.20)".

SECTION 21. Tennessee Code Annotated, Section 57-5-201(a)(1), is amended by deleting the language "three dollars and ninety cents (\$3.90)", and by substituting instead the language "four dollars and ten cents (\$4.10)".

SECTION 22. Tennessee Code Annotated, Section 57-6-104(c)(5), is amended by inserting the language "or the state privilege tax levied in Tennessee Code Annotated, Section 57-5-201" immediately following the words "excise tax" in the first sentence.

SECTION 23. This act shall take effect July 1, 2000, the public welfare requiring it.